

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:1920
ANSWERED ON:13.03.2007
REDUCTION IN DUTIES
Singh Kunwar Rewati Raman

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether despite reduction in the various duties prices of tyres have been going up in the country ;
- (b) if so, the reasons therefor; and
- (c) the steps taken/ proposed to be taken to curb the rise in prices of tyres ?

Answer

THE MINISTER OF THE STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI ASHWANI KUMAR)

(a)to(c) : Tyre prices have increased primarily due to increase in input-prices and the increased demand of tyres. Tyre prices are determined by market forces. Though there has been no reduction in the excise duty rates in the recent past, the Government has announced a reduction in customs duty from 12.5% to 10% in the Budget 2007-08 to make imports of tyres cheaper and augment the supply of tyres.